1983-1984
Annual
Report

British Columbia Marketing Board

Province of
British Columbia

Ministry of
Agriculture and Food

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THE BRITISH COLUMBIA MARKETING BOARD ANNUAL REPORT

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To the Honourable
Robert Gordon Rogers
Lieutenant Governor of the Province
of British Columbia

MAY IT PLEASE YOUR HONOUR:

I have the honour to submit for your consideration the Annual Report for the British Columbia Marketing Board for the years 1983 and 1984.

CHARLES E. EMERY
Chairman

BRITISH COLUMBIA MARKETING BOARD

(as of December 31, 1984)

Board Members

Mr. C.E. Emery	-	Chairman, Osoyoos
Mr. N.C. Taylor	-	Vice-chairman, Kelowna
Mrs. E. Mona Brun	-	North Vancouver
Mr. H. Black	-	North Vancouver
Mr. M. Hunter	-	Dawson Creek

Staff

Mr. A.J. Helmersen, Secretary

Board Office

Ministry of Agriculture and Food
Parliament Buildings
Victoria, British Columbia
V8W 2Z7
Phone (604) 387-5121

1983-1984 ANNUAL REPORT

BRITISH COLUMBIA MARKETING BOARD

ROLE AND FUNCTION OF THE BOARD

The Board was constituted by the Lieutenant Governor in Council, under the Natural Products Marketing (BC) Act, to provide general supervision of the commodity marketing boards and commissions operating under the Act. When carrying out this duty, the Board monitored their activities to ensure that, on balance, the interests of both the producers and the public were properly considered. To assist in this role, the marketing boards and commissions were required to provide the Board with copies of all minutes, orders, reports and rules as they were made or amended.

In order to fulfill its supervisory responsibility, the Board engaged in the following activities:

1. The Board reviewed the minutes, orders and rules of the boards and commissions;

2. The Board met with the executive of individual marketing boards and commissions to obtain current information on the status of the industry, to review industry problems and to discuss policy matters related to the implementation of the marketing schemes;

3. The Board chairman assisted a number of the boards and commissions by chairing joint meetings of representatives from industry and producer organizations to develop improved communication and to explore current opportunities;

4. The Board chairman assisted a number of the boards and commissions by providing guidance for resolving disputes and recurring problems;

5. Individual Board members attended the annual meetings of the boards and commissions;

6. The Board assisted in the development of training seminars for directors and managers of the boards and commissions.

The Board had three major goals when carrying out its responsibilities. These were:

(1) To assist the boards and commissions develop policies that would result in growth and development of a commercially sound B.C. Agriculture and Food industry;

(2) To encourage the national marketing agencies for eggs, chicken and turkey to adopt policies that were acceptable to the province and that fostered the development of a commercially sound Canadian industry; and

(3) To ensure that commodity marketing boards implemented the marketing schemes in a manner consistent with the legislation.

In addition to its supervisory responsibilities, the Board functioned as an administrative tribunal for hearing appeals by persons aggrieved or dissatisfied by an order, decision or determination of a marketing board or commission. These appeals were open to the public and provided both parties with opportunity to present relevant evidence and information.

GENERAL SUPERVISORY DUTIES

When dealing with the marketing boards and commissions, the Board strove to maintain good two-way communication, which it considered essential to achieve effective implementation of the marketing schemes. This was accomplished by meeting with marketing board executives, producer association representatives and industry representatives. During these meetings, the Board obtained current information on recent industry developments, discussed matters of its concern and provided comment of a general nature to the boards and commissions. An example of the benefits of this ongoing cooperative approach was the B.C. Vegetable Marketing Commission's establishment of a consultation process with the vegetable wholesalers.

The designation of marketing agencies by a marketing board or commission requires the approval of the Board. The Board approved the designation of the B.C. Sheep Breeders Cooperative as a selling agency of the B.C. Sheep and Wool Commission; the designation of Scott's Poultry Cooperative Association, Victoria Division and Sunrise Poultry Processors Ltd. as marketing agencies of the B.C. Turkey Marketing Board; and the designation of MacLean and Fitzpatrick Ltd., R.H. MacDonald and Sons Ltd., Black Sage Orchards Ltd., Forlin's Orchard, Otto Rothe and Martin Rothe, Wild West Organic Harvest Co-op., and Apple Whale Farm, as growers' agents to accept authority from growers to export B.C. tree fruit out of Canada. The Board declined to approve the designation of two sole marketing agencies.

The Board continued its policy of only intervening into the operational matters of the boards and commissions when their orders or policies were clearly contrary to the intent of the Act and Scheme.

NATIONAL MARKETING AGENCIES

The Board is a signatory to the federal-provincial agreements for the marketing of eggs, chickens and turkeys. National marketing agencies, consisting of producer representatives from each participating provincial commodity board, operate as a result of these agreements. The agencies include the Canadian Egg Marketing Agency, the Canadian Chicken Marketing Agency and the Canadian Turkey Marketing Agency. These agencies determine the level of production within Canada, allocate production among provinces, undertake national advertising and promotional programs and in the case of C.E.M.A., set the prices for eggs and market them to the further processing and export markets.

Canadian Egg Marketing Agency

The Board attended signatories' meetings and considered several proposed amendments to the federal-provincial agreement. Amendments dealing with phasing in of quota reductions and with liquidated damages were supported and signed by the Board. The Board supported the B.C. Egg Marketing Board in its request to C.E.M.A. to increase the provincial administrative levy from 1.5 to 2.0 cents per dozen, within the cost of production formula. The Board continued to be concerned over the inflexibility of the federal-provincial agreement with respect to the allocation of egg production quota.

Canadian Chicken Marketing Agency

The Board attended signatories' meetings and considered several proposed amendments to the federal-provincial agreement for marketing chicken. The enforcement of quota allocation was a continuing problem for the Agency and resulted in a task force being appointed to develop solutions. Improved monitoring and enforcement provisions were adopted by the signatories.

The allocation of quota among provinces continued to be a major concern of the Board. The Board considered growth in provincial demand as a result of improved price/value relationships, of new markets or new products being developed, and of special events such as EXPO '86, to be important factors for the Agency to consider when assessing anticipated market demand. In addition, the Board was of the view that 'comparative advantage of production' must be considered in the broad sense so that the objective of 'promoting a strong, efficient and competitive production and marketing industry' could be met. These concerns were communicated to the Agency and the B.C. Chicken Marketing Board.

Canadian Turkey Marketing Agency

Arising out of the Board's concern over the effectiveness of signatories' meetings, the Board presented a proposal to signatories to establish a process for more clearly defining the purpose and objective of signatories' meetings and for clearly defining the system for developing the agenda and rules of conduct of signatories meetings. This proposal was unanimously supported by the signatories and resulted in the establishment of a working committee. The Board chairman was appointed as a member of this working committee which was chaired by the National Farm Products Marketing Council. The committee developed recommendations and reported to the signatories. These recommendations were amended by the signatories and then were adopted unanimously as operational guidelines.

The Board concurred with and signed an amendment to the federal provincial agreement which dealt with procedures for withdrawal from the marketing plan.

Proposed Broiler Hatching Egg Agency

The Board chairman participated in preliminary meetings of potential signatories to a proposed federal-provincial agreement for broiler hatching eggs. During these meetings, the chairman outlined the Board's concerns regarding the inflexibility of the other national marketing plans.

APPEAL DECISIONS

B.C. Tree Fruit Marketing Board

The decision of the B.C. Tree Fruit Marketing Board to refuse a licence to export tree fruit was appealed. The Board found that however well intended, the Tree Fruit Board's decision to deny an export licence was not in the interests of the industry as a whole. The Board felt it would be more desirable for several effective export marketing organizations to develop in B.C. and, as a result, issued a licence to the appellant.

British Columbia Hog Marketing Commission

The Hog Commission's use of a pricing formula was appealed by a major meat packer. The Board determined the Hog Commission was not engaged in price fixing within the meaning of the Act and regulations. The appeal was dismissed and the policy of the Hog Commission was upheld.

The Board also heard an appeal related to the fixing of surcharges and levy rebates. The Board concluded the appeal was not brought within the time limitation expressed in the Act and, therefore, concluded it had no jurisdiction to rule upon its merits.

British Columbia Mushroom Marketing Board

The Mushroom Board's decision to refuse to issue a grower's licence was appealed to the Board. The Board found no authority under the B.C. Mushroom Scheme for the Mushroom Board to deny a licence for the production of mushrooms. The Board allowed the appeal and the appellant was issued a licence. The Board's decision was appealed by the Mushroom Board to the Supreme Court of British Columbia. The Board's decision was upheld. The Mushroom Board sought leave to appeal this decision to the British Columbia Court of Appeal. The application for leave to appeal the Supreme Court decision was refused by the court.

British Columbia Chicken Marketing Board

The Chicken Board's maximum permitted level for broiler-breeder production was appealed. The Board determined the Chicken Board had the authority to limit broiler-breeder production on individual farms and was satisfied the Chicken Board's decision was a sound matter of policy.

British Columbia Egg Marketing Board

The decision of the Egg Board to deny an egg producer a levy abatement was appealed to the Board. The Board found in favour of the Appellant and varied the Egg Board's decision so that the Appellant was granted a levy abatement.

British Columbia Turkey Marketing Board

The decision of the Turkey Board to authorize a processing plant levy was appealed. The Board determined the levy was being used to pay costs or losses incurred in marketing turkey and that the Turkey Board did not have authority to make the order authorizing the plant levy. The appeal was allowed

British Columbia Vegetable Marketing Commission

A decision of the Vegetable Commission not to renew a packing house licence was appealed. The Board determined the Vegetable Commission improperly refused to issue a licence to the Appellant and ordered a licence be issued.

A vegetable grower appealed a decision of the Vegetable Commission concerning the pooling of proceeds from the sale of onions. The Board determined the Vegetable Commission was correct in it's decision regarding adjustments to the pool and therefore dismissed the appeal.

A decision of the Commission to deny renewal of a wholesaler's licence was appealed. The Board determined it would be neither fair nor equitable to the Appellant to allow the Vegetable Commission to change its qualification policy relative to the appellant. The Board granted the appeal and ordered the Commission to issue a licence on the same terms and conditions as the previous licence.

A decision of the Vegetable Commission not to exempt fall plant onions from regulation was appealed to the Board. The Board allowed the appeal and ordered fall plant onions be exempt from regulation under the Scheme.

SUMMARY

Throughout the year, the Board met with the various marketing boards and commissions, individual producers, producer associations and industry representatives to ensure the needs of the total agricultural and food system received the necessary consideration by the marketing boards and commissions. The Board was pleased to note a continued overall improvement in the operating effectiveness of the marketing boards and commissions.